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Mexico

Grain and Feed

Mexico Announced The White Corn Allocation Rules For 2005

2005

Approved by:

Suzanne E. Heinen

U.S. Embassy Mexico City

Prepared by:

Gabriel Hernandez

Report Highlights:

The Secretariat of Economy (SE) published, in Mexico's Federal Register (Diario Oficial), allocation rules for the remaining white corn (H.T.S. 1005.90.04) "cupos" for 2005 under the 2004-2007 NAFTA corn TRQ scheme. According to government sources, the SE is currently offering between 280,000 – 300,000 metric tons worth of white corn cupos for the remainder of the year.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Mexico [MX1]
[MX]

Introduction: This report summarizes an official announcement published in Mexico's "*Diario Oficial*" (Federal Register) on October 7, 2005.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

FAS/Mexico's Executive Summary: On October 7, 2005, the Secretariat of Economy (SE) published in Mexico's "*Diario Oficial*" (Federal Register), in "Annex 2005", allocation rules for the remaining "cupos" for 2005 under the 2004-2007 NAFTA corn TRQ scheme (see MX4002). According to government sources, the SE is currently offering between 280,000 – 300,000 metric tons worth of white corn cupos for the remainder of the year.

This announcement is in compliance with transitory article 6 from the FY2005 Federal Incoming Law, first published on November 24, 2004, which establishes the implementation of a minimum quota reserve to cover domestic import demand for white corn in the second half of 2005.

The announcement establishes that parties eligible to request cupos are limited to those firms that use corn as the main input in their productive processes, and are currently in operation.

When allocating cupos for **WHITE CORN** (1005.90.04) the SE first takes into consideration the forecast shortage or existing shortage —determined by ASERCA/SAGARPA— in the states of Baja California, Coahuila, Chihuahua, Chiapas, Nuevo Leon, Tamaulipas, Veracruz, and Yucatan. Interested parties located in the aforementioned states who have participated in government audits of their corn usage during the Jan-Dec 2004 period are eligible to participate in the allocation.

Applications must be submitted within 10 business days from publication in the *Diario Oficial*. Issued cupo certificates will be valid until December 31, 2005, except for Chiapas, which will be valid from November 1st to December 15, 2005.

Important Dates

1. **Publication Date:** October 7, 2005
2. **Effective Date:** October 8, 2005

FAS/Mexico Note: This is NOT an invitation for bids to purchase corn grain. Rather, it is an announcement of the right to import the listed product under the preferential duty. Thus, the auction is limited to Mexican companies within the flour, milling and tortilla industries for white corn that distribute or use corn products in their production processes.

For More Information:

Fax: 011-52-55-5080-2130

Email: AgMexico@usda.gov

Internet Connections

FAS Mexico Web Site: We are available at <http://www.fas-la.org/mexico> or visit FAS headquarter's home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

Useful Mexican Web Sites: Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent of the Department of Commerce (SE) can be found at www.economia.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.